WORKSHEET 1: FUNDAMENTALS

ACTION 1:

Take the trading personality test at www.brettsteenbarger.com/Traders%20Questionnaire.doc

What kind of trader suits your personality?

ACTION 2:

Spend some time at http://www.tradingeconomics.com/

Take note of different country's economic statistics, particularly interest rates, GDP and inflation. Are there any countries experiencing low inflation with low interest rates? Could these economies turn around of might their currencies need to depreciate first?

Are there any countries with a current account deficit more than -5%? Could they be in line for a currency crisis?

What is your outlook for interest rates for the USA, UK, Europe, China and Japan?

ACTION 3:

Take a look at the yield curves for various countries at http://www.bloomberg.com/markets/rates-bonds/government-bonds/us/

A steep curve is normal. A flat curve suggests problems or uncertainty in the economy.

Keep track of European bond yields at http://www.bloomberg.com/markets/european-debt-crisis/

ACTION 4:

Take a look at the TED spread at http://www.macrotrends.net/1447/ted-spread-historical-chart

Try calculating the TED spread for yourself using the data available at http://economagic.com/popular.htm

Browse various data series from Economagic to see how different economic indicators have changed over time.

ACTION 5:

Have a look at different countries sovereign ratings over at
http://www.standardandpoors.com/ratings/sovereigns/ratings-list/en/us?sectorName=null&subSectorCode=

WORKSHEET 2: TIMING

ACTION 1:

Head over to http://finviz.com/screener.ashx and screen for some stocks. Use a combination of the below criteria to find interesting companies. See what comes up.

Fundamental:

Market cap: Over $300m
PE: > 5 and < 25
PEG: < 1
Current ratio: > 1
ROE: > 5
Profit margin: > 5
EPS growth over 5 years: > 10
Dividend yield: > 2 and < 7
Price to sales < 4
Price to book < 3
LTDebt/Equity <0.1

Technical:

RSI: < 60
52 week high: New high

ACTION 2

Evaluate the companies you found in action 1 further on http://seekingalpha.com Check their recent conference call transcripts and any research articles on the companies.

ACTION 3

Take a look at http://portfolio123.com and sign up for a free account. Use the back-tester and see how different ratios affect company performance.

ACTION 4

Visit http://www.gurufocus.com/shiller-PE.php and see the valuation of the overall market according to Shiller CAPE.

See a live reading of the VIX at
https://nz.finance.yahoo.com/q?p=finance.yahoo.com&s=%5EVIX

ACTION 5

Use the DCF calculator at http://www.moneychimp.com/articles/valuation/dcf.htm to calculate some basic margins of safety for various stocks.

WORKSHEET 3: RISK

ACTION 1:

Have a play with the Kelly calculator at http://www.albionresearch.com/kelly/default.php
You can replace the 'Odds Offered' with your Risk:Reward ratio.

Remember, that you might want to halve the Kelly formula and spread risk across investments.

ACTION 2:

Visit the coin toss generator at
http://www.dartmouth.edu/~chance/teaching_aids/books_articles/probability_book/bookapplets/chapter1/HTSimulation/HTSimulation.html
See all the different equity curves that can be generated from random coin tosses.

ACTION 3:

Put together your own trading plan in spreadsheet or Word document form.

Include such things as your position size, where to place your stops and your rationale for each trade.

ACTION 4:

Write down 5 weaknesses you have as a trader and 5 ways you can improve on them.

ACTION 5:

Write down 5 achievable goals and the steps you need to reach them.

ACTION 6:

Create a trading journal that includes your daily trading plan and compile some visual inspiration (photos etc) that will help you visualise your goals.

WORKSHEET 4: TIPS & SECRETS

ACTION 1:

Take some time to study the history of markets. Take a look at 10- 30 year price charts for all of the major markets: the Dow Jones Industrial Average, Nasdaq, S&P 500, FTSE 100, Japanese Nikkei, Hang Seng, gold, silver, crude oil, US Treasuries and German Bunds.

Note their peaks and troughs and ask yourself why these markets moved the way they did.

What are your predictions for the next 5-10 years for each of these markets. What are your predictions for the next 12 months.

Forming a top down macro view will help you understand how markets operate.

ACTION 2:

Take a look at the economic calendar at http://www.dailyfx.com/calendar. Note upcoming events that are of 'high' importance and make note of the analyst expectations. Watch how markets react when news is released.

ACTION 3:

Explore Google Trends to find the 'next big thing' at http://www.google.com/trends/.

Try using keywords such as 'smartphones' or '3D printing' then get creative with your own terms.

ACTION 4:

Create an account at http://stocktwits.com/home#people-and-stocks and start joining in with the community. See which stocks are trending.

ACTION 5:

Write down a list of trading rules for you to follow.

WORKSHEET 5: TECHNICAL ANALYSIS

ACTION 1:

Scan price charts over and over looking for profitable patterns. Watch price action religiously in your chosen market to find unique opportunities.

ACTION 2:

Read http://blogs.wsj.com/moneybeat/2013/11/25/does-chart-analysis-really-work/

ACTION 3:

Keep practicing.

WORKSHEET 6: TRADING SYSTEMS

ACTION 1:

Download the free trial of Amibroker from http://amibroker.com. Try using the system code provided.

Stress test the systems and come up with your own ideas.

ACTION 2:

Visit http://jbmarwood.com/blog for more trading ideas and inspiration.